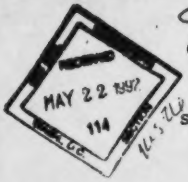

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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D92-2229

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 1992

Commission File number 0-16481

CASCADE INTERNATIONAL, INC.
(Exact name of registrant as specified in its charter)

Delaware	87-0410988
(State of other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

6401 Congress Avenue, Boca Raton, Florida 33487
(Address of principal executive offices)*

407-998-8343
(Registrant's telephone number, including area code)*

*New address, zip code and telephone number.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Number of shares of each class of common stock outstanding:

As of March 31, 1992 - 26,214,649 shares - Common Stock ($.001 par value)

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CASCADE INTERNATIONAL, INC. AND SUBSIDIARIES

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

As previously reported, the Registrant is presently operating as a debtor-in-possession under Chapter 11 of the Federal Bankruptcy Code. Financial information filed with the Bankruptcy Court for the months of January, February and March 1992 in the form of consolidated cash flow reports, are annexed hereto as Exhibits 1, 2 and 3 respectively.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Reference is made to the letter to shareholders dated April 1992, included with this report on Form 10-Q as Exhibit 4 of Item 6(a). This letter and the cash flow reports contain substantially all the unaudited financial information which management can report at present.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits:

1. Consolidated Cash Flow Report of Registrant for January 1992.
2. Consolidated Cash Flow Report of Registrant for February 1992.
3. Consolidated Cash Flow Report of Registrant for March 1992.
4. Letter to Shareholders dated April 1992.

(b) Reports on Form 8-K:

1. Form 8-K dated February 12, 1992.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

By: _____
Aaron Karp
Chairman of the Board

Dated: May 19, 1992

Exhibit 1

CASCADE INTERNATIONAL, INC.
CONSOLIDATION OF THE JANUARY MONTHLY CASH FLOW REPORT

	CASCADE INTERNATIONAL (1/1-1/25)	FRAN'S FASHIONS (1/1-1/25)	JEAN COSMETICS OF DELAWARE (1/1-1/25)	J.G. BOUTIQUE'S OF FLORIDA (1/1-1/25)	C.B.O.L., INC. (1/1-1/25)	CONSOLIDATED TOTAL
CASH AT BEGINNING OF PERIOD	36,681 *	370,717 *	6,292	58,681 *	60,243	536,614
						0
						0
CASH RECEIPTS:						
A. Cash Sales		219,719		28,7??	117,684	366,116
LESS: Cash Refunds						0
Net Sales						0
B. Other Receipts	13,751	11,405		57	4,369	29,582
TOTAL CASH RECEIVED FOR OPERATIONS	48,432	607,840	6,292	87,451	182,296	932,311
DISBURSEMENTS						
						0
A. U.S. Trustee Quarterly Fees						
B. Net Payroll	15,868	111,101		15,114	25,900	167,983
C. Payroll Taxes Paid	6,867	44,797		5,796	7,546	65,006
D. Sales and Use Taxes		40,865		6,336	8,410	55,611
E. Other Taxes				17		17
F. Rent		50,118		4,984	23,480	78,582
G. Other Leases	754					754
H. Telephone	1,335					1,335
I. Utilities	130	13,495				13,625
J. Travel & Entertainment		564				564
K. Vehicle Expenses		471			350	821
L. Office Supplies	82	623			157	862
M. Advertising						0
N. Insurance	6,291	12,198				18,479
O. Purchases of Fixed Assets						0
P. Purchases of Inventory				4,211		4,211
Q. Manufacturing Supplies						0
R. Repairs & Maintenance		139		213		352
S. Payments to secured creditors						0
T. Other Operating Expenses	4,720	69,218	1,754	2,762	317	78,771
TOTAL CASH DISBURSEMENTS	36,099	343,589	1,754	39,433	66,160	486,975
ENDING CASH BALANCE	12,395	264,251	4,538	48,018	116,136	445,336

NOTE: 14PLUS OF FLORIDA, MAGINACUSA), 4TH CENTURY PROPERTIES, DESIGNER BOUTIQUES, JEAN COSMETICS DISTRIBUTION CENTERS AND JG BOUTIQUES OF CALIFORNIA HAD NO RECEIPTS OR DISBURSEMENTS FOR THE PERIOD 1/1/92 THROUGH 1/25/92.

NOTE 2: 6830 CORP HAD MISCELLANEOUS EXPENSES OF $431.58 WHICH WERE PAID FOR BY CASCADE INTERNATIONAL, INC.

Exhibit 2

CASCADE INTERNATIONAL, INC.
CONSOLIDATION OF THE FEBRUARY MONTHLY CASH FLOW REPORT

	CASCADE INTERNATIONAL (1/26-2/29)	FRAN'S FASHIONS (1/26-2/29)	JEAN COSMETICS OF DELAWARE (1/26-2/29)	J.B. BOUTIQUES OF FLORIDA (1/26-2/29)	C.B.B.L., INC. (1/26-2/29)	CONSOLIDATED TOTAL
CASH AT BEGINNING OF PERIOD	13,468 *	264,261	4,844 *	29,779 *	116,256 *	428,608
						0
CASH RECEIPTS:						0
A. Cash Sales		306,437		43,172	202,364	551,973
LESS: Cash Refunds						0
Net Sales						0
B. Other Receipts	61,169	45,153	812	623	20,355	128,112
TOTAL CASH RECEIVED FOR OPERATIONS	74,637	615,851	5,656	73,574	338,975	1,108,693
DISBURSEMENTS						
A. U.S. Trustee Quarterly Fees	500	500	250	250	250	1,750
B. Net Payroll	21,722	111,974		14,908	30,787	179,391
C. Payroll Taxes Paid	14,596	44,654	570	5,332	12,837	77,989
D. Sales and Use Taxes		11,365		3,328	6,335	21,028
E. Other Taxes		52,514				52,514
F. Rent	2,442			18,675	22,494	43,611
G. Other Leases	1,668					1,668
H. Telephone	4,982				491	5,473
I. Utilities	1,759	18,256		1,056	2,960	24,031
J. Travel & Entertainment						0
K. Vehicle Expenses						0
L. Office Supplies	355	219			20	594
M. Advertising					5,533	5,533
N. Insurance	6,514	7,553			5,201	19,268
O. Purchases of Fixed Assets		1,850				1,850
P. Purchases of Inventory		158,242		7,176	102,967	268,385
Q. Manufacturing Supplies						0
R. Repairs & Maintenance	1,109	206		592		1,907
S. Payments to secured creditors						0
T. Other Operating Expenses	12,933	69,673	74	3,399	66,847	152,926
TOTAL CASH DISBURSEMENTS	68,580	477,006	894	54,716	256,722	857,918
ENDING CASH BALANCE	6,057	138,845	4,762	18,858	82,253	250,775

NOTE: * 14PLUS OF FLORIDA, MAGINA(USA), 4TH CENTRUY PROPERTIES, DESIGNER BOUTIQUES, JEAN COSMETICS DISTRIBUTION CENTERS AND JB BOUTIQUES OF CALIFORNIA HAD NO RECEIPTS OR DISBURSEMENTS FOR THE PERIOD 1/26/92 THROUGH 2/29/92.

NOTE 2: 6830 CORP HAD MISCELLANEOUS EXPENSES WHICH WERE PAID FOR BY CASCADE INTERNATIONAL, INC.

Exhibit 3

CASCADE INTERNATIONAL, INC.
CONSOLIDATION OF THE MARCH MONTHLY CASH FLOW REPORT

	CASCADE INTERNATIONAL (3/01-3/28)	FRAN'S FASHIONS (3/01-3/28)	JEAN COSMETICS OF DELAWARE (3/01-3/28)	J.B. BOUTIQUES OF FLORIDA (3/01-3/28)	C.B.D.L., INC. (3/01-3/28)	CONSOLIDATED TOTAL
CASH AT BEGINNING OF PERIOD	5,632 *	162,567 *	4,763	18,792	82,253	274,007
						0
						0
CASH RECEIPTS:						
A. Cash Sales		233,105		41,371	190,769	465,245
LESS: Cash Refunds						0
Net Sales						0
B. Other Receipts	58,363	29,270	78	6,166		93,877
TOTAL CASH RECEIVED FOR OPERATIONS	63,995	424,942	4,841	66,329	273,022	833,129
DISBURSEMENTS						0
A. U.S. Trustee Quarterly Fees						137,240
B. Net Payroll	17,654	84,614		11,519	23,453	53,615
C. Payroll Taxes Paid	9,647	31,090		3,876	9,002	34,788
D. Sales and Use Taxes		19,280		4,804	10,704	161
E. Other Taxes		145		16		91,617
F. Rent	6,264	53,657		6,678	25,018	3,001
G. Other Leases	1,475	1,526				8,501
H. Telephone	394	5,192		1,882	1,033	15,447
I. Utilities	1,143	9,811		861	3,632	0
J. Travel & Entertainment						452
K. Vehicle Expenses				102	350	527
L. Office Supplies		527				19,828
M. Advertising				4,633	15,195	9,966
N. Insurance	6,446	2,624		896		1,059
O. Purchases of Fixed Assets		1,059				83,494
P. Purchases of Inventory		31,621			51,873	0
Q. Manufacturing Supplies						2,960
R. Repairs & Maintenance				354		0
S. Payments to secured creditors	2,311	295				153,869
T. Other Operating Expenses	12,286	75,807		9,300	58,476	
TOTAL CASH DISBURSEMENTS	57,620	315,248	0	44,921	198,736	616,525
ENDING CASH BALANCE	6,375	109,694	4,841	21,408	74,286	216,604

NOTE: 14PLUS OF FLORIDA, HAGINA(USA), 4TH CENTRUY PROPERTIES, DESIGNER BOUTIQUES, JEAN COSMETICS DISTRIBUTION CENTERS AND JB BOUTIQUES OF CALIFORNIA HAD NO RECEIPTS OR DISBURSEMENTS FOR THE PERIOD 3/1/92 THROUGH 3/28/92.

NOTE 2: 6830 CORP HAD MISCELLANEOUS EXPENSES WHICH WERE PAID FOR BY CASCADE INTERNATIONAL,INC.

CASCADE INTERNATIONAL INC

Exhibit 4

CASCADE INC.
INTERNATIONAL

Dear Shareholder:

February and March 1992 were critical months in the continuing evaluation of whether or not our corporation, Cascade International, Inc. ("Cascade"), will survive as a going concern; whether it can reorganize itself in Chapter 11 under the Federal Bankruptcy Code; or whether it will be liquidated by creditors and the Bankruptcy Court. I am pleased to report that the events which took place during these past two months have improved Cascade's chances for survival, *enormously*.

During February, the Bankruptcy Court held a trial involving a transaction which took place in the fall of 1991 between Cascade and Conston Corporation ("Conston"). On February 27, 1992, after the trial, the Bankruptcy Court "rescinded" the transaction and restored to Cascade a secured debt of $7,500,000 on Conston's assets. In exchange, Cascade must return for cancellation, 10,000,000 shares of Conston which had been issued to Cascade in that 1991 transaction. The parties are in the process of implementing this Court order.

On February 26, 1992, Conston filed a petition in bankruptcy in Delaware, under Chapter 11 of the Federal Bankruptcy Code. Conston has asserted numerous set-offs and claims against Cascade, but nothing has been filed with the Bankruptcy Court as of the time I am writing this letter. Of any amounts which are recovered by Cascade from Conston, $5,000,000 would be due to the Bank of Scotland, to which Cascade assigned its security interest. Once the Bank of Scotland is paid $5,000,000, Cascade's debt to the bank would be reduced from $10,000,000 to $5,000,000.

The remaining $2,500,000 of the secured debt owed by Conston to Cascade, if recovered from Conston, should become part of the estate of Cascade. This can provide some of the funds needed to develop and implement a plan of reorganization which must satisfy Cascade's creditors and the Bankruptcy Court. Assuming the full $7,500,000 is recovered from Conston, Cascade would still remain an unsecured creditor of Conston in the amount of approximately $3,000,000. Any part of this amount which is recovered from Conston, would also be available for payment to Cascade's creditors.

During March, the Bankruptcy Court also approved Cascade's settlement with First Union National Bank of Palm Beach ("First Union"). First Union agreed to return $2,500,000 of the amount paid to it by Cascade during October 1991. First Union has been permitted to retain $1,000,000 of the funds paid. This will reduce its claim against Cascade to $4,000,000. The $2,500,000 returned to Cascade can only be used with the approval of the Bankruptcy Court. On March 27, 1992, the Court

6401 Congress Avenue, Suite 175 Boca Raton, Florida 33487 (407) 998-8343 fax (407) 998-9359

approved the use of $750,000 for the purchase of inventory and for Cascade's continuing operations. With these additional funds, Cascade expects to get a true picture of its operations through June 30, 1992. Cascade's ability to budget properly the use of such funds and to make its future operations profitable, will be a major factor in determining whether or not its creditors and the Court will allow Cascade to reorganize and emerge from Chapter 11.

The use of funds gathered in Cascade's estate will be subject to constant scrutiny by the Bankruptcy Court and by Cascade's creditors. In each case, Cascade will be required to seek the Court's approval for any unusual expenditures which are not necessary in the ordinary course of its operations. In each case, creditors will have an opportunity to review the proposed use of such funds and to voice their objections. In each case, the Bankruptcy Court will make the decision as to whether or not Cascade can use the funds for the purposes requested.

A portion of the funds must be used to pay administrative expenses, to prosecute adversary proceedings which Cascade has instituted, and to finance any new proceedings which it may commence. As I reported earlier, a suit is now pending in the Bankruptcy Court against Dr. Lawrence D. Moses, for trading in violation of federal securities laws. This involves approximately $5,000,000. A default judgment should be entered shortly in favor of Cascade for $3,500,000 against J.B. Van Zanten. Approval of a settlement of $250,000 with a securities broker is also under consideration by the Court. Any recoveries from these proceedings will become part of Cascade's estate and will be available to develop and implement a plan of reorganization.

I have received dozens of telephone calls and letters from shareholders since I became Chairman, many with specific questions about the conduct of Cascade's ongoing business operations. Unfortunately, I cannot answer them individually. To do so, would impair my ability to operate Cascade on a day-to-day basis. However, keep writing. I will listen to you and I will try to respond to appropriate inquiries from time to time, in my letters to shareholders.

One pertinent question recently asked, was what salaries are now being paid to the officers and directors of Cascade. Surprisingly, no one asked this of me at the first creditors' meeting, held in Boca Raton on March 19, 1992. For your information, the current annual salaries and positions of the respective officers of Cascade are:

Name	Position	Annual Salary
Aaron Karp	Chairman of the Board	$ 78,000
John T. Sirmans	President	$ 96,000
Emily Wertz	Controller	$ 45,000
Howard M. Sommers	Corporate Secretary	$ 35,000
Bernard Lake	Vice President - General Merchandise Manager	$[illegible] 38,000
Total annual salaries.....		$[illegible] 312,000

Executive officers receive no additional cash payments other than the reimbursement of expenses incurred on behalf of Cascade. The five directors of Cascade receive an attendance fee of $250 per meeting. They usually meet once each month.

Another question on the minds of shareholders is the future market for Cascade's common stock. Perhaps I can explain the problems we face, and the only solution I see, for the future trading of Cascade's stock in the over-the-counter market. For trading to begin, there must be publicly available for creditors, brokers and others, sufficient financial information about Cascade which would enable an investor to make an informed investment decision about whether to purchase or sell the shares. Until now, such financial information has not been available. There is no need for me to revisit the many problems I have faced with Cascade's previous financial statements and related information. I can only tell you what steps have been taken by present management to correct past abuses and to prepare for the future.

As I stated in my February 1992 letter, a physical inventory was taken on February 3, 1992 by RGIS inventory specialists, at all of Cascade's retail outlets. This was observed at a representative number of such retail outlets by Cascade's new auditors, Anchin, Block & Anchin, certified public accountants. A financial statement will be prepared by Cascade for the period from January 27 through June 30, 1992, which will be audited by them.

Prior to that, an unaudited statement of profit and loss will be prepared for the short period from January 27 through March 31, 1992. This will be filed by Cascade with the Securities and Exchange Commission. We do not expect this quarterly report to show any profit for that period. Indeed, we expect it will reflect a very substantial loss. Given the conditions we faced from November 19, 1991 through the end of February 1992 and the emergency steps management had to take in order to meet that situation, this loss was a certainty.

The quarterly period from April 1 through June 30, 1992 should, for the first time, give us some indication of the results of Cascade's operations. During this last quarter of its fiscal year, Cascade will use the $750,000 which has been allowed by the Bankruptcy Court for the purchase of inventory and for its ongoing operations. This should be a litmus test of Cascade's ability to continue future operations on a profitable basis. While hampered somewhat by the fact that new merchandise will not arrive until the middle of April, nevertheless, it will show what Cascade can do in two and one-half months, given the amount and type of inventory management believes is needed for its return to profitability.

When sufficient financial information is publicly available from such operations, hopefully, brokers may once again trade or "make a market" in Cascade's shares. That will take place in the over-the-counter market. The price of the shares can then be published in what brokers call the "pink sheets." Then, brokers can trade the stock and you, as a shareholder, should have an opportunity to buy or sell Cascade's shares, based on your own personal analysis of its future prospects and potential.

Again, I want to thank you for your patience. Hang in there. Management, our administrative staff and all the personnel at Cascade, firmly believe we will make it. All we need is a little more time, the continued use of some of our money, the confidence and patience of our creditors, and a few more friends.

Sincerely,

Aaron Karp
Chairman of the Board

Dated: April 1992